

**FORE!KIDS FOUNDATION, INC.**  
**d/b/a ZURICH CLASSIC OF NEW ORLEANS**

**Financial Statements as of September 30, 2013 and 2012  
and for the Years Then Ended  
and Independent Auditors' Report  
and Supplemental Information**

**FORE!KIDS FOUNDATION, INC.**  
**d/b/a ZURICH CLASSIC OF NEW ORLEANS**

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Certified Public Accountants & Consultants

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Fore!Kids Foundation, Inc. d/b/a  
Zurich Classic of New Orleans  
New Orleans, LA

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans (a nonprofit organization) (the Foundation), which comprise the statements of financial position as of September 30, 2013 and 2012, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of September 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of charitable giving for the year ended September 30, 2013, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2013, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

*Silva Gurtner & Albney, LLC*

New Orleans, Louisiana  
November 30, 2013

**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
STATEMENTS OF FINANCIAL POSITION  
AS OF SEPTEMBER 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 3,211,051	\$ 2,578,330
Investments	1,261,606	725,717
Accounts receivable	191,510	223,577
Other assets	<u>21,748</u>	<u>14,309</u>
Total current assets	4,685,915	3,541,933
PROPERTY AND EQUIPMENT, net	<u>45,278</u>	<u>134,184</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 4,731,193</b></u>	<u><b>\$ 3,676,117</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 182,771	\$ 176,244
Contributions payable	750,000	538,169
Deferred revenue	<u>2,060,200</u>	<u>2,000,200</u>
Total current liabilities	2,992,971	2,714,613
<b>NET ASSETS</b>	1,738,222	961,504
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 4,731,193</b></u>	<u><b>\$ 3,676,117</b></u>

See accompanying independent auditors' report and notes to financial statements.

**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>UNRESTRICTED SUPPORT AND REVENUES</b>		
Tournament	\$ 11,463,542	\$ 11,335,158
Golf Ball	106,730	113,736
Membership dues	99,155	97,869
Contributions	384,873	299,032
British Petroleum grant	412,000	-
Grants	414,108	414,108
Other	61,300	66,964
	<hr/>	<hr/>
Total unrestricted support and revenues	12,941,708	12,326,867
<b>EXPENSES</b>		
Tournament	10,958,045	10,667,368
Contribution	1,158,346	1,038,196
Depreciation	88,906	89,729
Golf Ball	29,385	28,336
Other	35,544	13,706
	<hr/>	<hr/>
Total expenses	12,270,226	11,837,335
<b>CHANGE IN NET ASSETS BEFORE OTHER REVENUES (EXPENSES)</b>	<hr/>	<hr/>
	671,482	489,532
<b>OTHER REVENUES (EXPENSES)</b>		
Interest expense	-	(10,525)
Dividends and interest income	35,224	22,472
Realized gains on investments	26,156	1,082
Unrealized gains on investments	43,856	102,904
	<hr/>	<hr/>
Total other revenues (expenses)	105,236	115,933
<b>CHANGE IN NET ASSETS</b>	<hr/>	<hr/>
	776,718	605,465
<b>NET ASSETS - Beginning of year</b>	<hr/>	<hr/>
	961,504	356,039
<b>NET ASSETS - End of year</b>	<hr/>	<hr/>
	<u><u>\$ 1,738,222</u></u>	<u><u>\$ 961,504</u></u>

See accompanying independent auditors' report and notes to financial statements.

**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 776,718	\$ 605,465
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	88,906	89,729
Unrealized gains on investments	(43,856)	(102,904)
Realized gain on investments	(26,156)	(1,082)
Changes in operating assets and liabilities:		
Accounts receivable	32,067	124,507
Other assets	(7,439)	(7,346)
Accounts payable	6,527	121,667
Contributions payable	211,831	413,169
Deferred revenue	60,000	103,859
Net cash provided by operating activities	<u>1,098,598</u>	<u>1,347,064</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(876,157)	(216,546)
Sales of investments	410,280	216,546
Purchases of property and equipment	-	(11,500)
Net cash used in investing activities	<u>(465,877)</u>	<u>(11,500)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of debt	-	(196,821)
Net cash used in investing activities	<u>-</u>	<u>(196,821)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>632,721</b>	<b>1,138,743</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<u>2,578,330</u>	<u>1,439,587</u>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<u><b>\$ 3,211,051</b></u>	<u><b>\$ 2,578,330</b></u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid for interest	<u><u>\$ -</u></u>	<u><u>\$ 10,525</u></u>

See accompanying independent auditors' report and notes to financial statements.



**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013 AND 2012**

**NOTE A-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Nature of Activities*** – The Fore!Kids Foundation, Inc. (the Foundation) was incorporated on September 20, 1990 under the laws of the State of Louisiana as a non-profit corporation and does business as the Zurich Classic of New Orleans. The primary purpose of the Foundation is the promotion of social welfare for the community of New Orleans by promoting, managing and sponsoring an annual Professional Golfers' Association (the PGA) Tour golf tournament (the tournament). The tournament is sponsored under a written agreement with the PGA Tour, which details the terms and conditions of the tournament, prizes to professionals, financial obligations and general division of duties of the parties. The Foundation has an annual charitable impact of approximately \$1.5 million dollars on the New Orleans Metropolitan area and Southeast Louisiana.

***Basis of Presentation*** -The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets depending on the existence and/or nature of any donor restrictions.

Revenues and gains are classified based on the presence or absence of donor restrictions and reported in the following net asset categories:

***Unrestricted undesignated net assets*** – Assets that are not restricted by donors or for which there are no restrictions.

***Unrestricted board designated net assets*** – Assets that have been designated by the Board of Directors for a specific use or purpose.

***Temporarily restricted net assets*** – Net assets that arise from contributions that are restricted by donors for specific purposes or time periods. There were no temporarily restricted net assets as of September 30, 2013 and 2012.

***Permanently restricted net assets*** – A donation, grant or contract that is restricted by the donor or by law to be maintained by the Foundation in perpetuity. There were no permanently restricted net assets as of September 30, 2013 and 2012.

***Basis of Accounting*** – The financial statements of the Foundation have been prepared on the accrual basis of accounting.

***Use of Estimates*** – The preparation of the Foundation's financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Cash and Cash Equivalents*** – For purposes of the statements of cash flows, the Fore!Kids Foundation, Inc. considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents including bank repurchase agreements. The Foundation's board has deemed certain money market accounts with a local investment firm to be considered investments with a maturity greater than three months.



**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013 AND 2012**

**Investments** – Investments are recorded at fair market value based on market quotations and consist of mutual funds, equity securities and bonds.

**Accounts Receivable** – Accounts receivable are stated at the amount the Foundation expects to collect. The primary receivable is from the PGA and is money withheld until the annual audit is submitted. The Foundation believes all receivables are fully collectible, therefore no allowance existed at September 30, 2013 and 2012.

**Property and Equipment** – The depreciation methods used by the Foundation are as follows:

Equipment	Straight-line, accelerated methods	5-7 years
Leasehold improvements	Straight-line	7-10 years

Property and equipment are stated at cost, less accumulated depreciation. Additions, improvements and expenditures for maintenance that add materially to productive capacity or extend the life of an asset are capitalized. Other expenditures for maintenance are charged to operations in the year incurred.

**Deferred Revenue** – The Foundation receives part of its annual sponsorship rights with Zurich Insurance Company (Zurich) in June of each year. This revenue is part of the next year's sponsorship agreement and must be deferred at the time of receipt because it is not earned until the following year.

**Revenues and Other Support** – The Foundation's primary source of revenue is from the staging of its annual PGA-sponsored tournament. Approximately 90% of the revenue earned during the year comes from ticket sales, television and sponsorship rights associated with the tournament. The current contract with the PGA and Zurich, the title sponsor, runs through the 2019 golf tournament.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restrictions expire in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

The Foundation has two cooperative endeavor agreements with the State of Louisiana (the State). The purpose of each of the grant agreements is to defray the costs (1) associated with the production of the PGA tour event and (2) associated with advertising. The grant agreements are based on the State's availability of funds and must be renewed on an annual basis.

**Income Taxes** – The Foundation is a not-for-profit corporation that is exempt from both federal and Louisiana income taxes under section 501(c)(3) of the Internal Revenue Code and R.S. 12:201 of Louisiana statutes, respectively. Management has determined that there are no uncertain tax provisions included in the accompanying financial statements.

**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013 AND 2012**

*Contributed Services* – Members of the Foundation's executive committee and other volunteers have made significant contributions of their time to assist in the tournament's operation and related charitable programs. The value of this contributed time is not recorded in these financial statements because it is not susceptible to objective measurement or valuation.

The Foundation also offers various rights and services during the tournament to several of its suppliers in return for services and products provided by these suppliers such as use of rental cars, rental of equipment, airplane tickets, catering services, and other services and products. These non-cash trades are recorded at the value of the service given up by the Foundation and totaled approximately \$483,000 and \$258,000 in tournament revenue and expense for the years ended September 30, 2013 and 2012, respectively.

**NOTE B – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of September 30:

	<u>2013</u>	<u>2012</u>
Equipment	\$ 253,367	\$ 253,367
Leasehold improvements	687,768	687,768
Total cost	941,135	941,135
Less accumulated depreciation	(895,857)	(806,951)
Property and equipment, net	<u>\$ 45,278</u>	<u>\$ 134,184</u>

**NOTE C – INVESTMENTS AND FAIR VALUE MEASUREMENT**

ASC 820-10 adopts a hierarchy approach for ranking the quality and reliability of the information used to determine fair values in one of three categories to increase consistency and comparability in fair value measurements and disclosures. The highest priority (tier 1) is given to quoted prices in active markets for identical assets. Tier 2 assets are valued based on inputs other than quoted prices that are “observable.” For example, quoted prices for similar securities or quoted prices in inactive markets would both be observable. In tier 3, the inputs used for valuation are not observable or transparent and assumptions have to be made about how market participants would price the underlying assets. Investments are classified based on the lowest level of input that is significant to the fair value measurement.

**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013 AND 2012**

Investments consisted of the following at September 30, 2013:

	<b>Tier 1 (Quoted prices in active markets)</b>	<b>Tier 2 (Significant Observable inputs)</b>	<b>Tier 3 (Significant unobservable inputs)</b>	<b>Total</b>
Money market accounts	\$ 58,867	\$ -	\$ -	\$ 58,867
Fixed income	363,208	-	-	363,208
Equities	549,776	-	-	549,776
Mutual funds	289,755	-	-	289,755
Total investments at fair value by tier	<u><b>\$ 1,261,606</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 1,261,606</b></u>

Investments consisted of the following at September 30, 2012:

	<b>Tier 1 (Quoted prices in active markets)</b>	<b>Tier 2 (Significant Observable inputs)</b>	<b>Tier 3 (Significant unobservable inputs)</b>	<b>Total</b>
Fixed income	\$ 205,353	\$ -	\$ -	\$ 205,353
Equities	337,815	-	-	337,815
Mutual funds	182,549	-	-	182,549
Total investments at fair value by tier	<u><b>\$ 725,717</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 725,717</b></u>

In 2013, the Foundation's Board of Directors determined that certain amounts held in money market accounts would be treated as investments for the purpose of cash flows.

**NOTE D – AGENCY TRANSACTIONS**

The Foundation, serving in an agency capacity, receives funds from various charity golf tournaments and other events throughout the year. Those funds are then distributed to the designated charity. The total amount received during the year ended September 30, 2013 and 2012, was approximately \$430,000 and \$428,000, respectively, of which \$430,000 and \$418,000, respectively, net of administrative expenses, was distributed to the various charities.

**NOTE E – CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash and investments. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of September 30, 2013 and 2012, the Foundation had cash in banks in excess of this amount totaling \$2,882,153, and \$2,372,079, respectively. The Foundation has not experienced any losses in such accounts and believes it is not exposed to such risk. The Foundation has no policy requiring collateral or other security to support its deposits.

**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013 AND 2012**

The Foundation has investment accounts that contain cash and securities. Balances are insured up to \$500,000 with a limit of \$100,000 for cash, by the Securities Investors Protection Corporation (SIPC). The Foundation had balances in excess of these amounts totaling \$930,659 and \$225,717 as of September 30, 2013 and 2012, respectively. The Foundation has not experienced any losses in such accounts and believes it is not exposed to such risks. The Foundation has no policy requiring collateral or other security to support its deposits.

As of September 30, 2013 the Foundation had one customer that made up approximately 91% of all receivables. As of September 30, 2012, the Foundation had two customers which made up approximately, 79% of all receivables, respectively.

As of September 30, 2013 and 2012, the Foundation had two customers that comprised 60% of total revenue.

**NOTE F – TOURNAMENT SPONSORSHIP AGREEMENT**

The Foundation's primary source of revenue is the sale of tournament sponsorships and other rights. The sponsorship agreement with Zurich calls for, among other things, an annual sponsorship fee, guarantee of the purchase of a specified number of advertising units from the networks broadcasting the tournament, and the right to have the Zurich name included in the tournament name. Payments on behalf of Zurich were made to the Foundation totaling \$3,825,000 and \$3,700,000 for the year ended September 30, 2013 and 2012, respectively, in tournament revenue and expense. The term of the agreement is effective through the 2019 tournament. Included in deferred revenue in the statement of financial position was \$1,975,000 and \$1,912,500 at September 30, 2013 and 2012, respectively, related to Zurich sponsorship amounts for the subsequent year's tournament.

**NOTE G – DONATIONS**

The Foundation makes donations to local and children's charities based on requests received during the year. During 2013 and 2012, the Foundation donated \$1,158,346 and \$1,038,196 to these charities, of which \$31,930 and \$75,680 were donations of tickets and other tournament packages which were raffled by the requesting organizations. The proceeds of the raffles were donated to charitable organizations. In addition to these donations, various organizations contributed \$50,000 directly to charities on behalf of the Foundation in 2013 and 2012.

**NOTE H – ADVERTISING**

The Foundation expenses advertising as incurred. Advertising expense was \$95,691 and \$168,612 for the years ended September 30, 2013 and 2012, respectively, and is recorded in tournament expense.

**FORE!KIDS FOUNDATION, INC. d/b/a  
ZURICH CLASSIC OF NEW ORLEANS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013 AND 2012**

**NOTE I – LEASE**

The Foundation leases office space under a noncancellable operating lease which expires in June 2014. Rent expense under the lease for each of the years ended September 30, 2013 and 2012 was \$80,000. Future minimum lease payments for 2014 amount to \$60,000. After June, 2014, as long as the PGA Tour utilizes the current tournament site, the Foundation can renew its lease annually at the term of \$1 per year.

**NOTE J – BRITISH PETROLEUM GRANT**

During the year ended September 30, 2013, the Foundation received a grant from British Petroleum, Inc. in connection with the oil spill of April 20, 2010 to help promote Louisiana tourism. The grant is a one-time payment of \$412,000 and was used to defray advertising and other costs associated with staging the Tournament.

**NOTE K – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 30, 2013, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

**OTHER INDEPENDENT AUDITORS' REPORT**





Certified Public Accountants & Consultants

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of  
Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans  
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans (a nonprofit organization) (the Foundation), which comprise the statement of financial position as of September 30, 2013 and 2012, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundations's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Silva Gurtner & Abney, LLC*

New Orleans, Louisiana  
November 30, 2013

## **SUPPLEMENTAL INFORMATION**

**FORE!KIDS FOUNDATION, INC. dba  
ZURICH CLASSIC OF NEW ORLEANS  
SUPPLEMENTAL SCHEDULE OF CHARITABLE GIVING  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

**Pass-Through Contributions**

**Zurich's Contribution**

CARE Awards:

ARISE Academy	\$ 10,000
Café Reconcile	2,500
Kelly Gibson Foundation	10,000
Team Gleason Foundation	2,500
Blessings in a Backpack	46,000
St. Bernard Project	70,000
St. Michael's	100,000
Toys-R-Us	22,030

Total Zurich contributions	263,030
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VOA Golf Tournament	87,234
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***Brandon's Birdies***

AJGA	1,000
Kelly Gibson Foundation	1,000
Hope House	2,000
St. Michael's	1,000

Total Brandon's Birdies	5,000
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Chevron - Project Lead the Way	75,000
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TOTAL PASS-THROUGH CONTRIBUTIONS	<b>\$ 430,264</b>
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**Contributions Made on Behalf of Fore!Kids Foundation**

PGA Tour to the World Golf Foundation	\$ 50,000
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TOTAL CONTRIBUTIONS MADE ON BEHALF OF THE FORE!KIDS FOUNDATION	<b>\$ 50,000</b>
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**Fore!Kids Foundation Contributions**

Brees Dream Foundation	\$ 13,000
Bayou District Foundation	125,335
Kelly Gibson Foundation	27,700
Louisiana Hospitality Foundation	107,500
PGA TOUR - WPA contribution	10,000
Young Life	35,000
First Tee of Greater New Orleans	10,000
Miscellaneous Contributions under \$10,000	47,881
Accrued Donations	750,000
In-Kind Donations	31,930

TOTAL FORE!KIDS FOUNDATION CONTRIBUTIONS	<b>\$ 1,158,346</b>
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2013 TOTAL CHARITABLE GIVING	<b>\$ 1,638,610</b>
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See accompanying independent auditors' report.